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S E C R E T SECTION 01 OF 02 SHANGHAI 000663

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DEPT FOR EAP/CM, INR/B AND INR/EAP
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E.O. 12958: DECL: MR, X1
TAGS: PGOV PINR SOCI ECON MARR CH TW
SUBJECT: (C) HU GAINING TRACTION IN MILITARY WITH RECENT
APPOINTMENTS

REF: A) SHANGHAI 642; B) OSC CPP20070924710005; C) OSC CPP20071002721004

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CLASSIFIED BY: Kenneth Jarrett, Consul General, U.S. Consulate
General, Shanghai, Department of State.

REASON: 1.4 (b), (c), (d)

¶1. (S) Summary: During a September 28 discussion, Nanjing University Professor Gu Su (strictly protect) said that President Hu Jintao was actively promoting officers coming out of the People's Liberation Army (PLA) Nanjing Military Region (MR) as part of his overall strategy to gain control of the military. One of Hu's proteges, Jiangsu Party Secretary Li Yuanchao, is also likely to benefit from these promotions due to his connections to these military officers. Hu is focusing on officers within the Nanjing MR because he finds them more trustworthy than officers from other MRs, he wants to send a message to Taiwan and to the United States about the seriousness with which he regards the Taiwan situation, and to remind the Shanghai leadership that the center controls the military and must be heeded. Professor Gu also said that Hu is concerned about corruption in the military and has begun a crackdown that has led to the arrest of at least two top-level PLA officers.
End summary.

Nanjing MR: Front and Center

¶2. (C) Nanjing University Professor Gu Su said that Hu Jintao was actively promoting officers coming out of the Nanjing MR in order to solidify his control over the PLA. For instance, Hu had recently promoted former Chief of the General Staff Liang Guanglie as Minister of National Defense. (Note: Liang served as Nanjing MR Commander between 1999 and 2002, immediately prior to filling his Chief of the General Staff position. End note.) Gu emphasized the importance of Liang's promotion, noting that it would likely mean a promotion both to the Politburo and as Vice Chairman of the Central Military Commission (CMC); Liang is currently a member of the CMC.

¶3. (C) Hu also elevated Liu Chengjun, a former Nanjing MR Air Force Commander, to Commandant of the Academy of Military Sciences; Gu said that Liang had recommended Liu to Hu. Hu also recently promoted former Chief of the General Armament Department Chen Bingde as Chief of the General Staff to back-fill for Liang. (Note: According to press reports, Chen served for eight years in the Nanjing MR; first as Nanjing MR Chief of Staff from 1985-90, and then as the MR Commander from 1996-99. End note.)

¶4. (S) In one of his most interesting moves, Hu promoted Vice Admiral Liu Xiaojiang, the son-in-law of disgraced former Party Secretary Hu Yaobang, to deputy director of the General

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Political Department. Gu said Liu also has about five years experience working in the Nanjing MR. Liu is a Hu Jintao protege and has good relations with Li Yuanchao, according to Gu. In addition, Gu said that Li is on good terms with all of these former Nanjing MR people who were recently promoted, which is helping strengthen Li's bid for promotion at the Party Congress and lead Li to be considered as a candidate to eventually succeed Hu as Party Secretary in 2012.

¶5. (S) Gu said that the rapidity and number of changes Hu made to military personnel were unexpected. Gu has several former students currently serving in the Nanjing MR, all of whom expressed surprise to Gu over the recent appointments.

Why the Nanjing MR?

¶6. (C) Gu believes that there are four primary reasons why Hu is focusing his promotions on people who have come out of the Nanjing MR. First, he finds Nanjing MR officers more trustworthy than officers from the other MRS. Second, given that the Nanjing MR has primary responsibility for potential military action against Taiwan, the promotions also send a message to Taiwan about the seriousness with which Hu regards the cross-Straits situation. Third, Hu is reinforcing for the United States that Taiwan is a major issue on his agenda and that he is looking to the United States for cooperation on Taiwan policy. Gu assessed that Hu hopes that by boosting his Taiwan war planners and fighters in their overall presence within the top military circles, that the United States will recognize that military force is an option the Chinese are considering to prevent an independent Taiwan.

¶7. (C) Fourth, given that Shanghai is also part of the Nanjing MR, Hu is sending an indirect message to the Shanghai leadership that they must toe the Central line. One of the main reasons former Shanghai Party Secretary Chen Liangyu was sacked is that

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he had believed Shanghai to be an "independent kingdom." Hu is reinforcing the message that this is not the case. Not only does Shanghai not have an army, but the army that oversees Shanghai is firmly under Hu's control.

¶8. (C) Comment: Despite multiple meetings in recent months with a variety of Taiwan watchers in our district, Gu's claim that the promotion of Nanjing MR officials is a signal to Taiwan and the United States is the first such description we have heard. Our subsequent research has identified at least two articles noting the military personnel moves in Hong Kong press and a possible signal therefrom (refs B and C). We will raise the issue with Taiwan scholars in Shanghai in the coming weeks.
End comment.

Corruption a Serious Problem in the Military

¶9. (C) Gu said that corruption in the military remains a serious problem, despite the Party's long-standing efforts to divest the military of its business holdings. Hu Jintao is also deeply concerned about this issue and is leading a crackdown on corruption within the PLA, including the recent arrests of an Air Force deputy and one of the Navy's deputy political commissars. (Note: Gu did not provide names or specific dates. According to press reports in late September, Lt. General Xu Qiliang, another officer with considerable Nanjing MR experience, replaced General Qiao Qingchen as head of the Air Force, but the press reports do not make mention of General Qiao

having fallen out of the Party's graces, so we do not know whether Qiao is one of those in trouble. End note.) One of the primary reasons Hu trusts Nanjing MR officials is that they are--generally speaking--less involved in corrupt activities than their counterparts in other MRs, Gu said.

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